

PRICE LEVEL INCREASED BY 6.0% COMPARED TO DECEMBER

Consumer price indices – inflation – January 2023

Consumer prices increased by 6.0%, month-on-month. This development came mainly from higher prices in 'housing, water, electricity, gas and other fuels'. The year-on-year growth of consumer prices amounted to 17.5% in January, which was 1.7 percentage points up on December.

Month-on-month comparison

Consumer prices in January increased by 6.0%, month-on-month. Considerable price increase in 'housing, water, electricity, gas and other fuels' was largely influenced by the end of the Saving tariff, when price of electricity went up by 139.8%, compared to December (more information to electricity price index: [Note](#)). Prices of heat and hot water were higher by 23.5%, sewage collection by 30.3%, water supply by 16.3%, natural gas by 2.2% and actual rentals by 1.1%. In 'food and non-alcoholic beverages', mainly prices of non-alcoholic beverages increased by 7.6%, fruit by 9.8%, vegetables by 7.3%, pork by 7.5%, cheese and curd by 3.9%, bread and cereals by 1.5% and eggs by 8.6%. Month-on-month price growth in 'alcoholic beverages, tobacco' came from higher prices of spirits by 9.2%, beer by 8.9% and wine by 8.5%. In 'recreation and culture', prices of package holidays were higher by 11.2% and in 'miscellaneous goods and services', prices of products and services for personal care by 2.5%. On the other hand, prices in 'transport' were lower, compared to December. Prices of fuels and lubricants for personal transport equipment dropped by 1.7% and motor cars by 1.1%. In food, prices of butter were lower by 7.2% and UHT semi-skimmed milk by 7.1%, in particular.

Prices of goods in total went up by 8.7% and prices of services by 1.9%.

“Consumer prices in January increased by 6.0% compared to December and 17.5%, year-on-year. This increase was significantly influenced by end of Saving tariff in form of energy allowance. Prices of electricity increased by 36.4% year-on-year, natural gas by 87%, water supply by 16.3%, sewage collection by 30.3% and heat and hot water by 44.7%,” noted Pavla Sediva, head of Consumer Price Statistics Unit of CZSO.

Year-on-year comparison

Consumer prices increased by 17.5% in January, i.e. 1.7 percentage points up on December. This **acceleration**¹⁾ of year-on-year price growth was mainly influenced by prices in 'housing, water, electricity, gas and other fuels'. Prices of electricity turned from drop by 21.2% in December into increase by 36.4% in January. Prices of water supply accelerated their price growth to 16.3% (increase by 5.3% in December), sewage collection by 30.3% (increase by 6.4% in December) and heat and hot water by 44.7% (increase by 28.8% in December). Prices of natural gas slowed down their growth to 87.0% (increase by 140.2% in December).

The biggest influence on **the growth of the year-on-year price level** in January came from prices in 'housing, water, electricity, gas and other fuels', where besides owner occupied housing costs, also prices of actual rentals²⁾ increased by 6.1%, materials and services for maintenance and repair of the dwelling by 18.6%, and solid fuels by 58.1%. Next in order of influence were prices in 'food and non-alcoholic beverages', where mainly prices of rice were higher by 35.1%, flour by 44.2%, pork by 36.8%, poultry by 32.4%, UHT semi-skimmed milk by 39.5%, eggs by 85.0%, oils and fats by 31.5% and sugar by 84.7%. In 'restaurants and hotels', prices of catering services increased by 23.8% and accommodation services by 19.9%. In 'recreation and culture', prices of package holidays increased by 19.1%.

¹⁾ **Acceleration/slowdown** of the year-on-year price index growth is difference between current and previous year-on-year index. It therefore depends on the change of current month-on-month index and also on the change of base – month-on-month index (growth/decrease) in the same month of the last year.

²⁾ Actual rentals includes both newly concluded contracts and existing ones

Owner occupied housing costs (imputed rentals) were higher by 9.1% (increase by 10.9% in December) mainly due to the growth of prices of construction materials and also prices of construction works. The overall consumer price index excluding owner occupied housing costs was 118.7%, year-on-year. (More information: [Methodological note](#).)

Prices of goods in total and services went up (20.8% and 12.2%, respectively).

According to CZSO calculation, overall consumer price index without including influence of Saving tariff and POZE waiver would increase in January by 3.4% month-on-month and 18.1% year-on-year (19.3% in December and 19.8% in November).

Inflation rate, i.e. the increase in the average consumer price index in the twelve months to January 2023 compared with the average CPI in the previous twelve months, amounted to 15.7% (15.1% in December).

Harmonized index of consumer prices (HICP) ³⁾

According to preliminary calculations, the HICP in Czechia **in January** went up by 6.6% **month-on-month** and 19.1% (16.8% in December), **year-on-year**. According to flash estimates of Eurostat, the MUICP (Monetary Union Index of Consumer Prices) **in January 2023** amounted to 8.5% year-on-year (9.2% in December), 14.9% in Slovakia. It was the highest in Latvia in January (21.6%). According to preliminary data of Eurostat, the **year-on-year** change in the average **harmonized index of consumer prices** (HICP) in the **EU27 member states** amounted to 10.4% **in December** (0.7 percentage points down on November). In December, the rise in prices was the highest in Hungary (25.0%) and the lowest in Spain (5.5%).

(More information on the Eurostat's web pages: [HICP](#).)

³⁾ Imputed rentals are excluded from the HICP.